

## **Payment Amount Per Episode (PAPE) Frequently Asked Questions**

- 1) Q. Has billing for an episode changed under the PAPE system?**  
**A.** There are no changes to how an outpatient claim is submitted to MassHealth.
- 2) Q. Have there been any changes to how the claims are paid?**  
**A.** Yes. Any episode (defined as all outpatient PAPE covered services provided in a single calendar day) that has at least one claim line that adjudicates to a pay status will be paid a PAPE, regardless of the number or type of services provided to a member.
- 3) Q. Are lab services to be paid according to the PAPE methodology?**  
**A.** No. For claims with dates of service on and after October 1, 2003, all lab services are paid according to the Division of Health Care Finance and Policy's Clinical Laboratory Services fee schedule. If a lab service is provided during an episode, it is reimbursed separate from the PAPE.
- 4) Q. Are there any other outpatient services not paid according to the PAPE methodology?**  
**A.** Yes. Providers should refer to the current Acute Hospital Request for Application for a complete list of services not paid under the PAPE methodology.
- 5) Q. Have there been any changes to the remittance advices?**  
**A.** No. The format of the remittance advice has not changed. However, there is only one payment for all non-lab services performed within a given episode. It appears on the highest weighted, non-denied claim line.
- 6) Q. Since only one payment per episode is being paid under the PAPE methodology, does the hospital need to resubmit denied claim lines within an episode for which payment has been received?**  
**A.** Yes. It is extremely important that hospitals resubmit claims lines that denied even though the PAPE has been paid. As the PAPE for future rate years will be calculated using historical paid claims data, it is critical that hospitals re-submit all denied claim lines that may be reconsidered. Failure to resubmit these claims will significantly impact a future year PAPE.
- 7) Q. Why are APG weights still appearing on the remittance advice notices despite being replaced by PAPE?**  
**A.** While APGs are no longer being used as a payment methodology, they remain critical to the calculation of the PAPE.

**8) Q. Why is the payment changing from one line to another, without any net increase to the payment, when I resubmit a claim with denied lines?**

**A.** Because the PAPE is paid on the “consolidated to” line, the line on which it is paid changes when the “consolidated to” line changes. When an episode is resubmitted, and a formerly denied, higher weighted line is paid, the PAPE moves from the old “consolidated to” line to the new one. While there is no net increase to the total payment from this change, the adjustment is critical to the calculation of the future year PAPE.

**9) Q. When voiding a PAPE payment do all lines from the claim need to be voided, even though they paid at \$0.00?**

**A.** Yes, it is important to request that all claim lines be voided or the PAPE payment will continue to be assigned to the next highest weighted line.